

**COUNTY ECONOMIC DEVELOPMENT INCOME TAX (CEDIT)**  
IC 6-3.5-7 ACCT. NO. 1000-790010

**TAXPAYER:** An individual who resides in a taxing county, or an individual who maintains his principal place of employment or business in a taxing county (as of January 1 of the calendar year in which the individual's taxable year commences) but does not reside in a county that imposes the County Adjusted Gross Income Tax, the County Option Income Tax, or the County Economic Development Income Tax.

**COUNTY RESIDENCY DETERMINATION:** If a taxpayer changes the location of his residence to another county in Indiana during a calendar year, his liability for CEDIT will not be affected. However, if a taxpayer changes his residence to a county in which the individual begins employment or business at a qualified economic development tax project (IC 36-7-27-9), the individual's adjusted gross income, attributable to employment or business at the qualified economic development tax project, is immediately taxable by the new county instead of being taxable beginning January 1 of the following calendar year.

**PRINCIPAL PLACE OF EMPLOYMENT OR BUSINESS DETERMINATION:** If a taxpayer changes the location of his principal place of employment or business to another county in Indiana during a calendar year, his liability for CEDIT will not be affected. However, if a taxpayer changes his principal place of employment or business to a qualified economic development tax project (IC 36-7-27-9), and does not reside in another county in which CEDIT is in effect, the individual's adjusted gross income attributable to employment or business at the qualified economic development tax project is immediately taxable by the new county instead of being taxable beginning January 1 of the following calendar year.

**TAX BASE:** Indiana Adjusted Gross Income.

**DEDUCTIONS AND EXEMPTIONS:** Identical to those for state Adjusted Gross Income Tax.

**CREDITS:** A portion of the Federal Credit for Elderly and Totally Disabled.

**RATE:** CEDIT may be imposed at the following tax rates: 0.1, 0.2, 0.25, 0.3, 0.35, 0.4, 0.45, and 0.5% (with certain exceptions). In counties that impose CAGIT and CEDIT, the combined rates may not exceed 1.25% (with certain exceptions). In COIT counties, the combined COIT/CEDIT rate may not exceed 1% (with certain exceptions).

Counties decreasing their CAGIT or COIT rates may not adopt CEDIT or increase their CEDIT rates in the same year.

**RATE EXCEPTIONS:** Hancock County may adopt a maximum CEDIT rate of 0.15% for purposes of replacing public library property taxes, under certain circumstances, via property tax replacement credits. Additional revenue generated by an additional rate may be used for CEDIT purposes in accordance with current law. Knox County may impose a maximum CEDIT rate of 0.5% to construct a jail or renovate an existing jail. Beginning in CY 2003, counties may exceed the CEDIT rate limit and the combined CAGIT/CEDIT and COIT/CEDIT rate limits by up to 0.25% to provide additional Homestead Credits to mitigate the effects on homeowners of a 100% business inventory deduction.

**PROCEDURE:** CEDIT is paid to the Department of State Revenue at the same time as the state's Individual Adjusted Gross Income Tax.

**ADMINISTRATION:** Income Tax Division, Department of State Revenue.

**CERTIFIED DISTRIBUTION:** The amount of CEDIT revenue to be distributed to counties during an ensuing calendar year equals the amount of revenue the Department of State Revenue, based on State Budget Agency recommendation, determines has been reported and actually received from the county for a taxing year ending before the calendar year in which the determination is made. The amount is determined based on reported collections less any refunds made for overcollection of the tax before July 1 of the current year. This amount, less refunds, is as reported and processed by the Department of State Revenue in the state fiscal year ending before July 1 of the calendar year in which the determination is made.

Before August 2 of the immediately preceding calendar year, the Department of State Revenue, after reviewing the recommendations of the State Budget Agency, certifies to the county auditor of each adopting county the amount of CEDIT revenue that was reported and processed (less refunds) from that county one year previous to the ensuing calendar year.

**ADJUSTMENTS TO CERTIFIED DISTRIBUTION:** The Department of State Revenue may certify to an adopting county an amount that is less than the amount reported and processed if the Department, after reviewing the recommendations of the State Budget Agency, determines that such action is necessary to offset overpayments made in previous calendar year certified distributions.

Effective June 1, 2003, before October 2, the Department of State Revenue determines, with Budget Agency recommendation, if sufficient balance exists in the county account in excess of the amount necessary when added to other money deposited in the account after the date of recommendation for certified distributions to the county in the ensuing year. Excess balance is placed in a supplemental distribution in January following the determination. The supplemental distribution must be allocated the same way as certified distributions, but are deposited in the county civil taxing unit's rainy day fund.

Effective January 1, 2000, in the case of a county, an amount equal to the property taxes imposed by the county in 1999 for its welfare and welfare administration fund, will be used in calculating certified shares.

**ALLOCATION:** The certified distribution is allocated to the county auditor from a CEDIT special county account (within the state General Fund) in different fractional amounts for distribution to counties, cities, and towns that have a capital improvement plan. Depending upon the time of CEDIT adoption, a county's fractional amount is based on several different criteria.

For example, distributive shares for a county that adopted CEDIT before June 1, 1992, are based on total property taxes first due and payable to the county, town, or city during the calendar year in which the month falls. Distributive shares for a county that adopted CEDIT after June 1, 1992, are based on population figures.

The certified distribution is allocated in May and in November of each year and can be used for economic development projects (or hazardous waste cleanup in certain counties). In counties that have imposed CAGIT and COIT, CEDIT revenues may be used for capital projects. Counties may also use a portion of CEDIT revenues to provide additional Homestead Credits up to the total amount of the residential tax shift in the county resulting from a 100% inventory deduction.

Before October 2 of each year, the Department of State Revenue must notify each county treasurer of the balance in that county's account at the end of the preceding year.

**County Economic Development Income Tax (CEDIT)  
Certified Distributions and Rates**

<b>County</b>	<b>FY 2004 % Rate</b>	<b>CY 2003 Cert. Distribution</b>	<b>CY 2004 Cert. Distribution</b>
1 ADAMS	0.520	2,206,851	2,400,690
2 ALLEN	0.400	26,651,168	25,541,664
3 BENTON	0.250	344,884	331,866
4 BLACKFORD	0.250	493,876	451,546
5 BROWN	0.250	686,291	663,146
6 CARROLL	0.100	329,650	299,130
7 CASS	0.500	1,559,444	2,739,054
8 CLARK	0.250		3,662,993
9 CLINTON	0.250	1,218,129	1,170,238
10 CRAWFORD	0.250	261,044	266,747
11 DECATUR	0.250	1,022,199	968,593
12 DEKALB	0.250	1,796,950	1,624,565
13 DELAWARE	0.200	3,670,622	3,364,944
14 DUBOIS	0.400	3,291,425	2,961,742
15 ELKHART	0.250	8,057,716	8,119,750
16 FAYETTE	0.370		1,278,181
17 FLOYD	0.400	4,516,063	5,943,924
18 FRANKLIN	0.250	922,465	928,407
19 FULTON	0.430	532,532	1,181,886
20 GIBSON	0.500	2,475,502	2,657,515
21 GRANT	0.250		2,478,010
22 HANCOCK	0.150	1,928,535	1,872,360
23 HARRISON	0.250	1,441,376	1,470,525
24 HENDRICKS	0.250	5,820,440	6,171,784
25 HOWARD	0.200	3,399,774	3,120,794
26 HUNTINGTON	0.250	1,589,042	1,434,292
27 JACKSON	0.250	1,663,142	1,575,579
28 JAY	0.250	678,210	638,679
29 JENNINGS	0.250	958,344	913,384
30 KNOX	0.500	1,313,518	1,349,617
31 KOSCIUSKO	0.300	4,245,456	3,993,990
32 LAGRANGE	0.250	1,223,083	1,133,346
33 LAPORTE	0.450	8,242,430	8,044,773
34 MARTIN	0.200	293,933	277,441
35 MIAMI	0.440	1,355,238	2,178,804
36 MORGAN	0.070		806,281
37 NOBLE	0.250	1,874,370	1,724,090
38 ORANGE	0.250	634,307	566,870
39 OWEN	0.250	710,721	672,247
40 PARKE	0.250	549,451	519,348
41 PERRY	0.500	1,356,257	1,220,659
42 PIKE	0.400	752,031	725,745

43 PORTER	0.250		7,268,348
44 PULASKI	0.430	515,813	764,850
45 PUTNAM	0.250	1,308,464	1,244,388
46 RANDOLPH	0.500	1,865,566	1,646,035
47 RIPLEY	0.250	1,133,922	1,142,675
48 RUSH	0.250	720,044	623,523
49 SCOTT	0.160		483,416
50 SHELBY	0.250	1,912,622	1,772,649
51 SPENCER	0.500	1,593,281	1,585,794
52 STARKE	0.500	1,470,407	1,290,755
53 STEUBEN	0.250	1,462,453	1,266,360
54 ST. JOSEPH	0.200	9,378,695	9,106,517
55 TIPPECANOE	0.400	9,963,116	9,717,237
56 TIPTON	0.250	785,594	722,295
57 UNION	0.250	258,869	255,070
58 VERMILLION	0.100	243,557	284,139
59 VIGO	0.500		7,363,093
60 WABASH	0.500	1,375,220	2,540,222
61 WARREN	0.250	325,678	314,104
62 WARRICK	0.500	5,689,494	5,747,900
63 WASHINGTON	0.500	897,204	1,715,279
64 WAYNE	0.250	2,659,284	2,496,931
65 WELLS	0.450	1,221,445	1,950,837
66 WHITE	0.250	978,193	893,806
67 WHITLEY	0.200	1,111,675	1,040,793
		<b>\$146,937,065</b>	<b>\$172,682,211</b>

## ENTERTAINMENT FACILITIES ADMISSIONS TAX

IC 6-9-34

**TAXPAYERS:** Persons attending a private event at an outdoor facility\* with a minimum capacity of 10,000 persons.

**TAX BASE:** Paid admission on tickets purchased at box office or authorized agent of the facility.

**RATE:** \$0.50 per paid admission.

**PROCEDURE:** Persons selling tickets collect the tax as agents of the city. The revenue is remitted by the agent to the city fiscal officer within 20 days of the end of the month of collection.

**ADMINISTRATION:** City fiscal officer